UNITED NATIONS

General Assembly

FORTY-NINTH SESSION

Official Records

FIFTH COMMITTEE
62nd meeting
held on
Friday, 7 July 1995
at 10 a.m.
New York

SUMMARY RECORD OF THE 62nd MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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ORGANIZATION OF WORK

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Distr. GENERAL
A/C.5/49/SR.62
10 August 1995

ORIGINAL: ENGLISH

95-81144 (E)

The meeting was called to order at 10.20 a.m.

AGENDA ITEM 105: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued)

1. Mrs. ARAGON (Philippines), speaking on behalf of the Group of 77 and China, said that she wished to associate herself with the statement made at the previous meeting by the representative of France on behalf of the European Union expressing support for the Advisory Committee on Administrative and Budgetary Questions and its Chairman, Mr. Mselle. She also endorsed the comments made by the Chairman of the Fifth Committee on the matter.

2. Ms. PEÑA (Mexico) said that she, too, supported the statements made by France and the Chairman. The newspaper article in question had maligned both the work of the Organization and the Chairman of the Advisory Committee.

3. Mr. HANSON (Canada), supported by Mr. TOYA (Japan), proposed that the Chairman should officially convey the Committee's views to the editor of the newspaper in question.

4. The CHAIRMAN said he would take it that the Committee wished him to take the action suggested by the representative of Canada.

5. It was so decided.

AGENDA ITEM 122: FINANCING OF THE UNITED NATIONS PROTECTION FORCE (continued) (A/49/540/Add.2 and 3, A/49/928)

6. Mr. TAKASU (Controller) said that, in accordance with Security Council resolutions 981 (1995), 982 (1995) and 983 (1995) of 31 March 1995, the report of the Secretary-General (A/49/540/Add.2) covered the budget of the United Nations Protection Force (UNPROFOR), the United Nations Confidence Restoration Operation (UNCRO), the United Nations Preventive Deployment Force (UNPREDEP) and the United Nations Peace Forces (UNPF) headquarters for the three-month period from 1 April to 30 June 1995. Addendum 3 to the report covered the six-month period from 1 July to 31 December 1995. He recalled that, in its resolution 49/228, the General Assembly had authorized the Secretary-General to enter into commitments at a monthly rate not to exceed $134,731,500 gross for the three-month period from 1 April to 30 June 1995 in connection with the maintenance of the United Nations Protection Force. In the light of the decisions contained in the Security Council resolutions of 31 March 1995 to extend the mandate of the United Nations peace-keeping operations in the former Yugoslavia for an additional period ending on 30 November 1995, urgent action by the Committee was needed to extend the Secretary-General's commitment authority to cover the period in question.

7. With regard to assessments for the period from 12 January 1992 to 30 June 1995, an amount of $862,595,475 was outstanding as at 14 June 1995. Three States Members accounted for 71 per cent of that amount. In connection with troop reimbursement, outstanding payments to Governments for the period from 1 March to 31 May 1995 amounted to approximately $125 million. There was

currently an unencumbered balance of $126,132,363 gross for the period ended 31 March 1994 and $79,996,000 gross for the period from 1 April to 30 September 1994. The amount for the period ended 31 March 1994 was due to the liquidation of obligations in the field accounts for premises and accommodation, transport operations and various types of equipment.

8. The cost estimates for the period from 1 April to 30 September 1994 amounted to $915,680,300 gross. In its report (A/48/961), the Advisory Committee had recommended the appropriation of an amount of $860 million gross and the Fifth Committee had decided to further reduce the amount to be appropriated to $850 million gross. Expenditures for the period from 1 April to 30 September 1994 were currently estimated at $770,004,000 gross, resulting in an unencumbered balance of $79,996,000 gross. That balance included $57,658,400 that had been rolled over to the following mandate period because procurement action could not be completed by 30 September 1994.

9. The cost of maintaining UNPROFOR for the period from 1 April to 30 June 1995 was estimated at $409,253,000 gross, or $5,058,500 more than the commitment authority provided. The additional amount was due in part to the cost of the radio station that had to be reprogrammed from the previous mandate period.

10. In connection with the financing of the operations, at its forty-ninth session, the General Assembly would need to take decisions on utilization of the Special Account established by Assembly resolution 46/233 of 19 March 1992 for the recording of income and expenditure relating to UNPROFOR, UNCRO, UNPREDEP and UNPF headquarters; on the appropriation of the amount of $409,253,000 gross, inclusive of the amount of $404,194,500 gross authorized and assessed in accordance with paragraph 16 of Assembly resolution 49/228 from the period from 1 April to 30 June 1995; on the assessment of an additional amount of $5,058,500 gross for the period from 1 April to 30 June 1995, to be offset against the unencumbered balance for the period ended 30 September 1994; and on the setting off against the future assessment on Member States of their share in the remaining unencumbered balance of $121,073,863 gross for the period ended 30 September 1994.

11. In Addendum 3 to the report, the Secretary-General further requested the General Assembly to appropriate and assess the amount of $862,953,300 gross for the operation of UNPROFOR, UNCRO, UNPREDEP and UNPF headquarters for the period from 1 July to 31 December 1995. Requests for increased commitment authority to reflect the expansion of troop strength would be included in a separate addendum to the report.

12. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the report of the Advisory Committee (A/49/928) was an interim one conveying a proposal which, if accepted by the Fifth Committee, would permit the Secretary-General to continue the operations of UNPROFOR pending detailed consideration of the reports to be submitted by the Advisory Committee in October 1995.

13. He noted that addendum 2 showed expenditure of $5,058,500 gross higher than the commitment authority provided for the period from 1 April to 30 June 1995.

The Advisory Committee was not recommending any action in respect of that amount, pending further review of addendum 2.

14. The commitments and assessments authorized for the period from 1 April to 30 June 1995 were based on an average troop strength of roughly 41,000 contingent personnel, military observers and civilian police. Even though action had been taken to reduce the average troop strength in Croatia and addendum 3 had been prepared on the basis of an average troop strength of 36,262, the Advisory Committee had been informed that average strength was likely to remain at roughly 41,000 until 30 November 1995. The Advisory Committee was therefore recommending that the authority given by the General Assembly should be continued for the period from 1 July to 30 November 1995 and that an amount not exceeding $673.7 million gross should be appropriated and assessed for the maintenance of operations during that period.

15. The Advisory Committee had received an advance copy of the report containing proposals on the financing of the additional 12,500 troops for UNPROFOR authorized by the Security Council in its resolution 998 (1995) and hoped to be in a position to report thereon to the Fifth Committee the following week.

16. Mr. HANSON (Canada) said that he would welcome clarification of why the Advisory Committee was recommending the amount of $673.7 million gross for the continuation of operations for the period from 1 July to 31 December 1995. The appropriation and assessment requested by the Secretary-General should have yielded an amount of $690.3 million gross over a five-month period.

17. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the figure of $673.7 million corresponded to the amount of $134,731,500 gross per month authorized by the General Assembly in its resolution 49/228. The Advisory Committee's recommendation had been arrived at after careful consideration of the previous budget, which had been based on an average troop strength of roughly 41,000. The Advisory Committee had not yet considered addendum 3 in detail and it would therefore have been difficult to use the monthly expenditure estimates proposed by the Secretary-General in that report. By recommending the lower amount, the Advisory Committee would also afford itself the opportunity to review the additional expenditure requested by the Secretary-General in excess of the monthly amount of $134,731,500 gross.

18. Mr. JU Kuilin (China) said that he was unaware of any decision by the Security Council on how to pay for the rapid reaction force of 12,500 additional troops and wondered whether it was not premature for the Committee to be considering the financing of that expenditure at the current stage.

19. Mr. TAKASU (Controller) said that the cost estimates contained in addenda 2 and 3 were based on decisions which the Security Council had adopted prior to the decision contained in Council resolution 998 (1995). The troop strength of 36,200 had existed prior to that resolution and requests for additional appropriations to reflect the increased troop strength would be included in a separate addendum to the report.

20. Mr. JU Kuilin (China) said that it still was not clear to him whether a decision had been taken for the United Nations to finance the cost of the additional troop strength.

21. Mr. TAKASU (Controller) said that, in its resolution 998 (1995), the Security Council had decided to authorize an additional 12,500 troops for UNPROFOR, with the modalities of financing that expansion to be decided at a later stage. It was the responsibility of the Secretary-General to make proposals for financing to the Fifth Committee and it was for the Committee to take a decision on those proposals. The Secretary-General's proposals would be presented to the Committee the following week.

AGENDA ITEM 117: FINANCING OF THE UNITED NATIONS ANGOLA VERIFICATION MISSION (continued) (A/49/433/Add.1 and A/49/927)

22. Mr. TAKASU (Controller) said that the United Nations Angola Verification Mission (UNAVEM III) established by Security Council resolution 976 (1995) of 8 February 1995 was a much enlarged version of UNAVEM and UNAVEM II. For the six-month period of the Mission's mandate the General Assembly had authorized the Secretary-General to enter into commitments of $3.5 million per month beyond 9 February 1995, but that amount had proved insufficient and therefore the Secretary-General had approached the Advisory Committee with a request for $50 million gross to cover start-up costs. The report before the Committee contained a cost estimate for the period 9 February 1995 to 31 December 1995 in the amount of $305 million gross, of which non-recurrent costs accounted for $103 million and recurrent costs for $200 million. Divided into the current mandate period and beyond, the cost to the end of the mandate period would be $187 million and to the end of the year $117 million. The position of the UNAVEM III Special Account was very weak as a result of the sudden expansion of the Mission. Outstanding assessed contributions totalled only $7 million, and in order to meet operating cash requirements it had been necessary to borrow $15 million from the peace-keeping reserve fund. The proposed action to be taken by the General Assembly was outlined in paragraph 33 of the report, namely that $305 million should be appropriated for the period from February to December 1995, an additional $177 should be made available for the period from February to August, and should the Security Council extend the Mission's mandate beyond August, commitment authority of a monthly rate of $25 million should be requested.

23. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, as stated in paragraph 7 of its report, the Advisory Committee had conducted a preliminary review of the Secretary-General's report for the reasons outlined in paragraph 6 of document A/49/927. The Advisory Committee's recommendation, as contained in paragraph 13 of its report, was that if the Security Council extended the Mission's mandate beyond August 1995, the Committee would recommend to the General Assembly that an initial amount of $215.7 million should be approved and assessed on Member States. Such an approach would allow the Advisory Committee to make a thorough review of the recommendations contained in the Secretary-General's report in September.

24. The annex to the Advisory Committee's report showed in order of magnitude the amounts which the Committee had applied to the estimates to arrive at $215.7 million. It was important to note that the Advisory Committee was not reducing the estimates by $89.5 million; it merely wished to point out that by the time the Committee took up the Secretary-General's report in September, there was little likelihood that the Secretary-General would have committed $215.7 and would require the additional $89.5 million.

25. The recommendation was based on the Advisory Committee's past experience in reviewing peace-keeping budgets; experience also showed that time was required to initiate and implement procurement and recruitment. There had also been a slight adjustment in the schedule for the deployment of the military contingent. In addition, it had been brought to the Advisory Committee's notice that almost $20 million provided for mine clearing and humanitarian activities was a contingent provision and might be affected if and when additional extrabudgetary resources became available. The Advisory Committee intended to review the issue in September on the basis of additional information requested from the Secretary-General.

26. Furthermore, the Advisory Committee was proposing that the Secretary-General should be given the usual flexibility in managing the authorized amount of $215.7 million. For example, if the Secretary-General found that he required additional funds in respect of civilian personnel or contractual services, he could use the flexibility available to him within the authorized limit of $215.7 million. In the event of difficulties, he should approach the Advisory Committee. The approach outlined in the Advisory Committee's report would give the Secretary-General the necessary financial authority to proceed while enabling the Advisory Committee and the General Assembly to review the estimates which the Secretary-General had submitted.

AGENDA ITEM 119: FINANCING OF THE UNITED NATIONS MISSION FOR THE REFERENDUM IN WESTERN SAHARA (continued) (A/49/559/Add.1 and A/49/771/Add.1)

27. Mr. TAKASU (Controller) said that document A/49/559/Add.1 contained cost estimates for the operation of the United Nations Mission for the Referendum in Western Sahara (MINURSO) in respect of the period 1 December 1994 to 30 June 1995 and beyond. The Security Council had extended the political mandate of MINURSO to 30 September 1995. With regard to financing, General Assembly resolution 49/466 authorized the Secretary-General to enter into a commitment of $28.8 million gross from 1 December 1994 to 31 May 1995, with an additional commitment of $4.8 million gross to 30 June 1995. The most recent Security Council resolution regarding MINURSO adopted on 30 June did not affect the cost estimates currently before the Committee. The estimated cost of maintaining the Mission between 1 December 1994 and 30 June 1995 was $36.3 million, and beyond 30 June 1995 monthly maintenance costs would total $5.6 million gross.

28. The proposed action to be taken by the General Assembly was outlined in paragraph 30 of the report, namely that $33.6 million should be appropriated and assessed for the period from 1 December 1994 to 30 June 1995, and $16.7 million gross should be appropriated for the period from 1 July to 30 September 1995. If the Security Council extended the Mission's mandate beyond 30 September, the

Secretary-General would request authorization to enter into a commitment of $5.5 million per month. The position of the MINURSO Special Account was very weak and in order to meet operating cash requirements it had been necessary to borrow $12.9 million; outstanding contributions from Member States totalled $20.3 million.

29. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) referred to his introduction of the Advisory Committee's report on the financing of MINURSO which he had made at the 52nd meeting of the Fifth Committee.

AGENDA ITEM 120: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN EL SALVADOR (continued) (A/C.5/49/L.56)

Draft resolution A/C.5/49/L.56

30. Mr. BARIMANI (Islamic Republic of Iran), speaking as coordinator of the informal consultations on draft resolution A/C.5/49/L.56, said that note had been taken of the status of contributions to the United Nations Observer Mission in El Salvador (ONUSAL) as at 26 June 1995, including the contributions outstanding in the amount of $23,643,957, and that all Member States concerned had been urged to ensure the payment of their outstanding assessed contributions. The observations and recommendations contained in the Advisory Committee's report on the financing of the Mission had been endorsed, and it was duly noted that the unencumbered balances of appropriations for the period from 1 December 1993 to 31 May 1994 totalled $542,100 gross ($534,500 net).

31. It had been decided to appropriate to the Special Account the amount of $11,704,200 gross ($10,397,300 net) for the operation of the Mission for the period from 1 June to 30 November 1994, inclusive of the amount of $3,895,900 gross ($3,612,300 net) authorized by the General Assembly in its resolution 48/243, the amount of $5,643,700 gross ($5,040,800 net) authorized in its decision 49/405 and the reduced amount of $2,164,600 gross ($1,774,200 net) authorized by the Advisory Committee on Administrative and Budgetary Questions under the terms of resolution 48/229 on unforseen and extraordinary expenses for the biennium 1994-1995.

32. It had also been decided, as an ad hoc arrangement, to apportion an amount of $11,704,200 gross ($10,397,300 net) for the period from 1 June to 30 November 1994 among Member States in accordance with the composition of groups set out in paragraphs 3 and 4 of General Assembly resolution 43/232 and subsequent resolutions. In addition, the Special Account would be credited with the amount of $4,634,000 gross ($4,080,500 net) for the operation of the Mission in the period from 1 December 1994 to 30 April 1995. As an ad hoc arrangement, the amount of $4,634,000 gross ($4,040,500 net) would be apportioned for the same period among Member States in accordance with the scheme mentioned in General Assembly resolution 43/232 and subsequent resolutions, the scale of assessments for the year 1994 to be applied against a portion thereof, i.e. $951,351 gross ($837,718 net).

33. It had been decided to appropriate to the Special Account the amount of $113,300 gross ($95,400 net) for the liquidation of the Observer Mission for the

period from 1 to 31 May 1995. As an ad hoc arrangement, it had also been decided to apportion the amount of $113,300 gross ($95,400 net) for the same period among Member States in accordance with the scheme provided for in General Assembly resolution 43/232, and taking into account the scale of assessments for the year 1995.

34. Member States' respective share in the unencumbered balances of $542,100 gross ($534,500 net) would be set off against the apportionment among them as provided for in General Assembly resolution 43/232 and subsequent resolutions in respect of the period from 1 December 1993 to 31 May 1994. The Secretary-General was requested to include in his report on the disposal of the assets of the Mission information on the proper accounting procedures for any transfer of equipment from peace-keeping operations to regular budget activities. It was also decided to include the item entitled "Financing of the United Nations Observer Mission in El Salvador" in the provisional agenda of the fiftieth session. Since the resolution had emerged from informal consultations, he recommended that it should be adopted without a vote.

35. Ms. PERREAULT (United States of America) said that her delegation wished to receive confirmation from the Secretariat that the information requested in paragraph 16 of the draft resolution would be submitted in an addendum to the Secretary-General's report on the disposal of the Mission's assets.

36. Mr. TAKASU (Controller) said that the report had already been issued and that the wishes of the United States delegation had been noted.

37. Draft resolution A/C.5/49/L.56 was adopted.

38. Ms. BUERGO (Cuba) said that her delegation had joined the consensus. Nevertheless she trusted that the General Assembly would receive full information from the Secretariat so that it could consider the appropriations for political offices in the context of the proposed programme budget for the next biennium with maximum transparency.

AGENDA ITEM 130: FINANCING OF THE UNITED NATIONS ASSISTANCE MISSION FOR RWANDA (continued) (A/49/375/Add.3; A/C.5/49/L.59)

39. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the financial performance report for the United Nations Assistance Mission for Rwanda (UNAMIR) for the period 5 April to 9 December 1994 (A/49/375/Add.3), said that the report indicated an unencumbered balance of $17,329,200 gross. The Secretary-General had indicated that the expenditures shown in document A/49/375/Add.3 reflected the most recent information available, although the interim accounts for United Nations peace-keeping operations showed expenditure of $135,577,000 in respect of UNAMIR as at 31 December 1994. It appeared that there was a problem in terms of timely recording by the Secretariat of expenditure information received from the field, so that the interim accounts had not in fact reflected all obligations raised as at 31 December 1994. ACABQ trusted that such problems would be rectified with the use of new technology.

40. The interim accounts also indicated an unliquidated obligation of $95,555,000, although it should be recalled that not all obligated amounts were in fact ultimately disbursed. Current unliquidated obligations stood at $46.2 million, including an amount of $26 million for transport of contingent-owned equipment and reimbursement in respect of such equipment. The Advisory Committee trusted that the Secretariat would accurately verify the amounts obligated for those purposes. ACABQ and the Fifth Committee would review the question of the valuation of contingent-owned equipment and rates of reimbursement at the fiftieth session.

41. In such circumstances the Advisory Committee could not dispute the unencumbered balance indicated in document A/49/375/Add.3, and was thus recommending that an amount of $17,329,200 should be credited to States, unless the General Assembly were to decide otherwise on recommendation of the Fifth Committee.

42. The CHAIRMAN said that he would take it that the Committee wished to take note of the oral comments of the Advisory Committee on the financial performance report for the United Nations Assistance Mission for Rwanda contained in document A/49/375/Add.3.

43. It was so decided.

Draft resolution A/C.5/49/L.59

44. Mrs. EMERSON (Portugal), introducing draft resolution A/C.5/49/L.59, said that the draft resolution would have the General Assembly appropriate an amount of $143,417,100 gross ($141,461,900 net) for the operation of UNAMIR for the period 10 December 1994 to 9 June 1995, inclusive of the commitment authority of $140 million gross already authorized by the General Assembly. The draft resolution would decide to apportion the additional amount of $83,417,100 gross ($82,919,600 net) for the period 10 December 1994 to 9 June 1995, taking into account the amount of $60 million gross already apportioned. That amount would be prorated in accordance with the changes made to the scale of assessments.

45. The draft resolution would also have the Assembly decide to appropriate to the Special Account for UNAMIR a total amount of $109,951,900 gross ($107,584,300 net) for the period 10 June to 31 December 1995, and to apportion an amount of $99,628,200 gross ($97,508,000 net) for the maintenance of the Mission for that period, and further decide that the respective shares of Member States in the unencumbered balance would be set off against their apportionments.

46. Draft resolution A/C.5/49/L.59 was adopted.

ORGANIZATION OF WORK

47. The CHAIRMAN said that he had received a letter from the President of the Staff Union requesting permission to make a statement in connection with the costs of staff representation activities, under agenda item 113. He would take it that the Committee wished to approve that request.

48. It was so decided.

The meeting rose at noon